

AMENDED IN ASSEMBLY AUGUST 7, 2006

AMENDED IN ASSEMBLY JUNE 19, 2006

AMENDED IN SENATE MAY 11, 2005

AMENDED IN SENATE APRIL 14, 2005

**SENATE BILL**

**No. 736**

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**Introduced by Senator Speier**

*(Principal coauthor: Assembly Member Blakeslee)*

February 22, 2005

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An act to add Section 655.7 to the Business and Professions Code, relating to healing arts.

LEGISLATIVE COUNSEL'S DIGEST

SB 736, as amended, Speier. Healing arts: ~~financial interest reporting~~; *diagnostic imaging services*.

~~Existing law requires certain healing arts licensees to report to the Medical Board of California, at the time of renewal of their license, any financial interest that the licensee or a member of the licensee's immediate family may have in a health-related facility.~~

~~This bill would require the board to report to the Legislature by January 1, 2008, regarding those reports submitted to the board between January 2007 and July 2007, by healing arts licensees.~~

Existing law makes it unlawful for specified health care practitioners to ~~change~~ *charge* for certain cytologic services if those services were not actually rendered by the health care practitioner or rendered by a person under his or her direct supervision.

This bill would make it unlawful for a physician and surgeon to ~~change~~ *charge* for performance of the technical component of certain

diagnostic imaging services unless those services were rendered by the physician and surgeon, except as specified.

Because a violation of the bill’s provisions would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     ~~SECTION 1. The Medical Board of California shall, by~~  
2     ~~January 1, 2008, report to the Legislature on all information~~  
3     ~~reported to the board between January 2007 and July 2007,~~  
4     ~~pursuant to Section 2426 of the Business and Professions Code.~~  
5     ~~The report shall include information regarding any sanctions the~~  
6     ~~board has imposed pursuant to subdivision (d) of Section 2426 of~~  
7     ~~the Business and Professions Code. Of those reporting a financial~~  
8     ~~interest, the board shall conduct a five percent audit to determine~~  
9     ~~the types of financial interests.~~

10    ~~SEC. 2~~

11    ~~SECTION 1.~~ Section 655.7 is added to the Business and  
12    Professions Code, to read:

13    655.7. (a) It is unlawful for a physician and surgeon to  
14    charge, bill, or otherwise solicit payment from, any patient,  
15    client, customer, or third-party payor for performance of the  
16    technical component of computerized tomography (CT), positron  
17    emission tomography (PET), or magnetic resonance imaging  
18    (MRI) diagnostic imaging services if those services were not  
19    actually rendered by the physician and surgeon or a member of  
20    his or her group practice, under his or her direct supervision, or  
21    by an employee of the physician and surgeon.

22    (b) Radiological facilities or imaging centers performing the  
23    technical component of CT, PET, or MRI diagnostic imaging  
24    services shall directly bill either the patient or the responsible  
25    third-party payor for services rendered by those facilities.

1 Radiological facilities or imaging centers shall not bill the  
2 physician and surgeon who requests the services.

3 (c) This section shall not apply to any of the following:

4 (1) Any person who, or radiological facility or imaging center  
5 that, contracts directly with a health care service plan licensed  
6 pursuant to Section 1349 of the Health and Safety Code.

7 (2) Any person who, or clinic that, provides diagnostic  
8 imaging services without charge to the patient, or on a sliding  
9 scale payment basis—~~of~~ if the patient’s charge for services is  
10 determined by the patient’s ability to pay.

11 (3) Health care programs operated by public entities,  
12 including, but not limited to, colleges and universities.

13 (4) Health care programs operated by private educational  
14 institutions to serve the health care needs of their students.

15 (5) Any person who, or clinic that, contracts with an employer  
16 to provide medical services to employees of the employer if the  
17 diagnostic imaging services are provided under the contract.

18 (d) Nothing in this section prohibits a physician and surgeon  
19 or a physician entity from billing globally for professional and  
20 technical components under either of the following  
21 circumstances:

22 (1) When the imaging center is wholly owned and operated by  
23 a physician and surgeon or a physician entity.

24 (2) When the physician and surgeon or physician entity has a  
25 professional services contract with the imaging center to provide  
26 all of the professional interpretations at the imaging center.

27 (e) For purposes of this section, the following apply:

28 (1) “Responsible third-party payor” means any person or  
29 entity that is responsible to pay for CT, PET, or MRI services  
30 provided to a patient.

31 (2) “Technical component” includes services other than those  
32 provided by a physician and surgeon for the CT, PET, or MRI,  
33 including personnel, materials, space, equipment, and other  
34 facilities.

35 (3) “Physician entity” means a professional medical  
36 corporation formed pursuant to Section 2406 or a general  
37 partnership that consists entirely of physicians and surgeons or  
38 professional medical corporations.

1     ~~SEC. 3.~~

2     *SEC. 2.* No reimbursement is required by this act pursuant to  
3 Section 6 of Article XIII B of the California Constitution because  
4 the only costs that may be incurred by a local agency or school  
5 district will be incurred because this act creates a new crime or  
6 infraction, eliminates a crime or infraction, or changes the  
7 penalty for a crime or infraction, within the meaning of Section  
8 17556 of the Government Code, or changes the definition of a  
9 crime within the meaning of Section 6 of Article XIII B of the  
10 California Constitution.

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